

I was proud to serve with Assemblyman Butler in the New York State Assembly for twelve years, and I am pleased to call him a friend.

Mr. Speaker, please join me in commending Assemblyman Butler for his twenty-four years of advocacy for the people of Queens and New York State.

INTRODUCING A BILL TO ENSURE THAT SMALL BUSINESSES ARE RIGHTFULLY ENTITLED TO USE THE CASH METHOD OF ACCOUNTING

### HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 14, 2001

Mr. HERGER. Mr. Speaker, today I introduce the "Cash Accounting for Small Business Act of 2001," a bill to simplify the tax code and provide relief for small businesses across the nation. I am pleased to be joined in this effort by my colleague on the Ways and Means Committee, Mr. TANNER, along with the chairman and ranking member of the Small Business Committee, Mr. MANZULLO and Ms. NYDIA VELÁZQUEZ.

One of the most complex and burdensome aspects of the Tax Code for many small businesses is also one of the most fundamental—their tax accounting method. While current tax law specifies a \$5 million annual gross receipts test for the use of cash accounting, this test has often been misinterpreted by the IRS, especially for small businesses using inventory.

Today we are introducing the "Cash Accounting for Small Business Act of 2001," legislation to clarify tax accounting rules for small businesses. Our legislation will follow the recommendation of the IRS National Taxpayer Advocate in his 2000 report to Congress by further clarifying the \$5 million threshold for use of the cash method of accounting. For small companies with average annual gross receipts below that level, they will be entitled to use the cash method. In addition, the bill will enable small businesses, particularly service providers below the \$5 million threshold, to avoid the onerous inventory-accounting rules. As a result, small business owners will be able to save time and accounting costs and put them back into productive use.

According to accountants, the use of accrual accounting can increase a small business' accounting costs by as much as 50 percent. For small firms struggling to get their businesses off the ground, that's valuable capital thrown down the drain to pay for unnecessary record-keeping. The costs for failure to comply, however, can be quite high. A survey by the Padgett Business Services Foundation, for example, revealed that on the inventory accounting issue alone, a small business found by the IRS to be using the incorrect bookkeeping method can end up paying \$2,000 to \$14,000, with an average of \$7,200 in taxes, interest, and penalties.

Small business owners across the country have been clamoring for tax simplification. This legislation is a down payment on that goal. I urge all my colleagues to join me in this straight-forward effort to infuse some common sense into our overly complicated Tax Code.

Small businesses contribute greatly to this country's economy, and they deserve a break from needless government-imposed compliance costs.

### A TRIBUTE TO THE HONORABLE ALBERT VANN

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 14, 2001

Mr. TOWNS. Mr. Speaker, I wish today to honor New York State Assemblyman Albert Vann of Brooklyn, New York upon his receipt of the Susan G. Hadden Pioneer Award from the Alliance for Public Technology. The Hon. Albert Vann has served as the NYS Assemblyman for the 56th Assembly since 1974. During this time Mr. Vann has been a tireless advocate on behalf of low-income communities, chairing the Assembly Standing Committee on Children and Families as well as the New York State Black and Puerto Rican Caucus. He is currently the Chairman of the Assembly Standing Committee on Corporations, Authorities and Commissions. The 'Corporations' Committee has oversight authority over the New York State Public Service Commission, the regulatory body for telecommunications and cable.

Assemblyman Vann has worked on a variety of initiatives to lay the groundwork to bring technology to low income and rural areas. Mr. Vann worked with me to expand the Congressional Black Caucus' Braintrust Communications Conference to include telecommunications and e-commerce issues. He also worked with the New York State Public Service Commission to create the Diffusion Fund, which provides \$50 million to establish broadband capacity in low-income communities. In addition, he has held a series of technology seminars in his district to provide his constituents with networking opportunities in telecommunications and information services.

Al Vann was selected to serve as co-chair of the Assembly Task Force on Telecommunications where he worked on the ramifications of the 1996 Federal Telecommunications Act for New York State. He has used his positions to ensure that New York State maintains a leadership role on telecommunications issues. Al brought his technology access concerns to a national forum by chairing the National Black Caucus of State Legislators Telecommunications and Energy Committee.

Mr. Speaker, NYS Assemblyman Al Vann has been a tireless advocate on behalf of the technologically underserved, through his hard work and dedication, he has provided access where otherwise there would not be any. As such, he is more than worthy of receiving our recognition today, and I hope that all of my colleagues will join me in honoring this fine public servant.

INTRODUCTION OF A HOUSE CONTINUING RESOLUTION URGING INCREASED FEDERAL FUNDING FOR JUVENILE (TYPE 1) DIABETES RESEARCH

### HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 14, 2001

Mr. GREEN of Texas. Mr. Speaker, I rise today in support of legislation which urges Congress to increase federal funding for Type I diabetes, also known as juvenile diabetes.

Type I diabetes is a devastating illness that affects over 1 million Americans, many of whom are diagnosed as children. This serious disease robs children of their innocence and independence, and burdens its victims with a lifetime of finger-sticks, shots, and fear of dreaded complications.

Even with a strict regimen of insulin injections, blood-glucose monitoring, diet and exercise, people with Type I diabetes are at severe risk for blindness, kidney failure, amputations, heart disease and stroke.

The burden of diabetes is felt by all Americans. Americans spend \$105 billion each year on the direct and indirect costs of this disease. One of every four Medicare dollars is spent on beneficiaries with diabetes, and one in ten health care dollars overall are spent on individuals with this serious disease.

There is great promise that a cure for Type I can be found in the near future. Advancements in genetic research, transplantation and immunology, and research into potential vaccines all hold the potential to eliminate Type I diabetes. But if we are to find a cure, we in Congress must find the money to pay for it.

The Diabetes Research Working Group (DRWG), a Congressionally appointed panel of experts in diabetes research, issued a report in 1999 that indicates the need for a significant increase in diabetes research. The DRWG recommended a \$4.1 billion increase for diabetes research over a five year period. Congress must heed this report.

This legislation I am introducing today recognizes the particular burden of Type I diabetes, and the need to follow the recommendations of the DRWG. It also recognizes the importance of our partners in the private sector, such as the Juvenile Diabetes Research Foundation, which has donated more than \$326 million to diabetes research since 1970 and will give \$100 million in FY 2001.

Mr. Speaker, full funding for diabetes research will help eradicate this devastating illness, save billions of health care dollars, and end the unnecessary suffering of millions of Americans. I urge all of my colleagues to join me in our fight to cure Type I diabetes.

### TEACHER RECRUITMENT AND RETENTION ACT

### HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 14, 2001

Mr. MOORE. Mr. Speaker, I rise today to ask my colleagues to support the Teacher Recruitment and Retention Act. I am introducing this legislation today to address a pressing